FOR MYSORE STATE

DEVELOPMENT (195 -) Department.

Rt. SERIES.

G.O. No. 41 -

Dated 22-11-1952

[Despatch Abstract.]

BROADCAST TALK - Rural programmes - Cooperative Department - Talk on "Development of Village Industries through Cooperatives" - Text approved.

DEVELOPMENT OF VILLAGE INDUSTRIES THROUGH COOPERATIVES.

In a land of villages like our country, cottage industrial works are many. There are artisans who have been carrying out their various handicrafts for ages. The artisans are not generally rich enough to improve their work and develop their business. Cottage works are mainly handicapped by difficulties like lack of finance for purchase of the required raw materials, equipment, etc., want of well organised marketing arrangements for the finished products, the absence of proper technical guidance, etc. The cottage worker ordinarily gets the necessary funds from middlemen and sowcars at an usurious rate of interest and mostly on condition that the finished products are sold to or through the money lenders. Not infrequently, the worker gets the raw materials as well on credit at a high price from the middlemen. The raw materials are generally of a poor quality. The result of working on raw materials supplied by dealers on credit and selling the finished products to them, is found to be generally to the detriment of the artisan, as he has to pay a higher price for the raw materials supplied on credit in addition to the interest on their value and is allowed lower prices on the manufactured goods. In fact he is under bondage to the middlemen and is denied of the right of free sale of his own products. It does not stop with this. Owing to the high cost of the raw materials and the high interest on the borrowed capital, the cost of his finished products becomes high. He is forced to sell the products at unremunerative prices at the will of his creditor. He has very little bargaining power and is reduced almost to a mere wage earner, the middlemen appropriating the bulk of the profits for themselves. Even when he happens to be in a position to sell his products freely, he has to face keen competition from his fellow workers, owing to lack of unity among themselves, undersold each other and spoil the good chances of profits. They lend themselves to exploitation by the middlemen. The workers placed as they are in such a predicament, lose initiative, get discouraged and ultimately fail to keep pace with the consumers' ever changing needs and orders. It thus becomes imperative for an organisation which, not blinded by the profit motive, will supply credit and required raw materials to the worker on fair and equitable terms, guide him in the production of articles of better quality to suit the requirements, mark of his products for him to his advantage and generally help him to earn a fair and regular income, enabling him to maintain his selfrespect and his economic status at the proper level. The cooperative agency is indeed the best suited for securing all these requirements.

For several reasons, cooperative method of tackling these difficulties is the ideal one. Foremost of all, the Cooperative method aims at eradicating the evils of capitalistic production. The worker is himself the owner and is assured of his legitimate share of the consumers' price for his products. Cooperation develops individual initiative and a sense of responsibility. It decentralises production and at the same time regulates the bulk purchase and supply of raw materials, collective sale etc. Industrial cooperative afford the best means of bringing the local fellow artisans together and eradicate competition and consequential underselling of the products.

There are many cooperative societies dealing in various cottage industries working in our State. I may give a brief summary of working of some of the important types of societies. Handloom weaving industry is the major cottage industry in this state. It has been organised on co-operative lines and about 1/3 of the total number of

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looms have been brought under cooperative fold. There were 941 primary weavers cooperative societies all over the State as on 30.6.50. They had enrolled 1.49 lakhs of members with a total paid up share capital of Rs.65.96 lakhs. During the year 1949-50, they produced cloth worth Rs.370.38 lakhs and sold handloom cloth worth Rs.489.56 lakhs. The Madras State Handloom Weavers Cooperative Society serves as an apex society for the weavers' societies in the State and it has opened as many as 104 emporia and depots in the State. It is the sole distributer of yarn to the weavers' cooperatives in the state.

There are also cottage industrial cooperatives, for carpet weavers, cumbly weavers, handspinners mat weaving, coir workers, metal workers, leather workers, basket makers, potters, toy makers, button manufacturers, oil producers, Stone carvers, charcoal producers, bullock cart makers, carpentars, wood cutters, tape weavers, tailers and miscellaneous others. There were 269 such societies as on 30.6.50 with a membership of 27,250 and a share capital of Rs.7.67 lakhs. During the year 1949-50, they purchased raw materials worth Rs.20.40 lakhs, produced finished goods valued at Rs.31.09 lakhs and sold goods worth Rs.44.37 lakhs. There were 58 women cottage industries cooperative societies functioning in the State as on 30.6.50 with a membership of 5218 and a share capital of Rs.35,841/-. These societies manufacture ready made garments, do needle work, prepare home made pickles, pappadams, preserves etc., They sold goods valued at Rs.1.58 lakhs during 1949-50. A central society is also functioning at Madras to Coordinate the activities of the primary women cooperative societies in the city and to assist them in marketing their products.

Cooperatives organised in this State for the promotion of cottage industries arrange to purchase and supply raw materials required by the members and take back their finished goods to secure an advantageous market. To improve the quality of goods produced, the Madras Central Cooperative Bank Limited, appointed a technical staff of 5 coir, ceramic and leather instructors. Government also sanction liberal assistance to deserving cottage industrial cooperatives. Recently they placed at the disposal of Registrar of Cooperative Societies a sum of Rs.45,600/- for disbursement as subsidies to deserving cottage industrial cooperatives to meet half the cost of equipment and towards establishment and contingent charges. With the efforts taken by the Deputy Registrars of Cooperative societies in the districts and with the Cooperation of other departments like the industries department, organisation and development of cottage industries through cooperative effort have made some substantial progress.

I am sure that among the listners this evening, there may be several artisans pursuing different cottage industries. My wish is that these artisans who have yet not formed themselves into cooperatives should now give a serious thought about their trade and the benefits of forming themselves in cooperative societies in orders to develop their handicraft work. There are Deputy Registrars in all the districts who will afford necessary facilities to such of the workmen who approach him for the purpose.

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GOVERNMENT OF MADRAS

Abstract.

BROADCAST TALK - Rural Programmes - Cooperative Department - Talk on "Development of Village Industries through Cooperatives" - Text approved.

Development Department.

G.O.Rt.No. 4 Dated the 22nd January 1952.
Read the following:

From the Registrar of Cooperative Societies, R.C.No.53340/51-Q. dated 26.11.51.

....

O R D E R:

The Government approve the text of the talk on "Development of Village Industries through Cooperatives" to be broadcast by the Deputy Registrar of Co-operative Societies, Cuddapah in telugu and by the Deputy Registrar of Co-operative Societies, Tiruchirapalli (North) in Tamil from the Madras and Tiruchirapalli Stations respectively of the All India Radio.

2. The Registrar is requested to submit infuture texts of broadcast talks sufficiently in advance to enable the Government to accord approval in time.

(BY ORDER OF THE GOVERNOR)

J.M. LOBO PRABHU,
Secretary to Government.

To the Registrar of Co-operative Societies.
To the Station Director, All India Radio, Madras.
To the Station Director, All India, Radio, Rt Tiruchirapalli. | Para 1 only.

/true copy/

RO A&A.

Please see the letter from the R.C.S. at p. 1 c.f. and its enclosures at pp.3-9 c.f. With reference to 'A' on p. 1 c.f. the draft order above is submitted for approval. R.W.D. may see before issue.

xx
.12.51.

p.t.o.

R.W. II.

Development Department note above may be perused and the file returned to them.

xx
4.12.51.

xx
4.12.51.

REV. (RI) DEPT.

To A.S.

Submitted for perusal of the above note of the R.W. Dept. above. The draft order overleaf may be circulated for orders whether it may issue.

(The dates specified in this draft order may perhaps be deleted. As permission for broadcast talk can be granted only after talking orders in circulation, the Registrar may perhaps be asked to submit such broadcast talks sufficiently in advance to enable the Govt. to pass orders in time.

xx
6.12.52

J.M.L.P
6.12.51.

I & M (L.A.) xx
7.12.

I & M (R.I) xx
12.1.52.

To A.S.

With reference to M above a para has been added to the draft order on p. 1 above. For orders whether it may issue as amended.

xx
20.1.52.

(Issued as G.O.Rt. 41 Dev. dated 22.1.52)

/true copy/

Superintendent.

Typed by R. Jayalakshmi. /16.11.52.

Examined by [illegible]